

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA**

In re:)
Daily Gazette Company,)
Debtor.)
) Chapter 11
) Case No. 18-20028
) (Jointly Administered)
)
_____)

In re:)
Daily Gazette Holding Company, LLC,)
Debtor.)
) Chapter 11
) Case No. 18-20029
)
_____)

In re:)
Charleston Newspapers Holdings, L.P.,)
Debtor.)
) Chapter 11
) Case No. 18-20030
)
_____)

In re:)
Daily Gazette Publishing Company, LLC,)
Debtor.)
) Chapter 11
) Case No. 18-20032
)
_____)

In re:)
Charleston Newspapers,)
Debtor.)
) Chapter 11
) Case No. 18-20033
)
_____)

In re:)
G-M Properties, Inc.,)
Debtor.)
) Chapter 11
) Case No. 18-20034
)
_____)

**RESPONSE OF UNITED BANK IN SUPPORT OF DEBTORS'
MOTION TO DISMISS CHAPTER 11 CASES**

Comes now United Bank ("United") and does hereby file its Response in Support of Debtors' Motion to Dismiss Chapter 11 Cases (the "Motion") and in support thereof states as follows:

1. United filed proofs of claim against each of the Debtors asserting a secured claim as of the Petition Date, in the amount of \$16,505,381.73 (the "Secured Claim").
2. As a result of the sale of substantially all the assets of the Debtors for \$11,487,243 (the "Sale's Proceeds") to HD Media Company, LLC, which assets served as collateral for the Secured Claim, United received a distribution on or about March 30, 2018, in the amount of \$9,799,360.99. United received an additional distribution on or about September 9, 2018, in the amount of \$502,119.40, once the parties to the sale agreement completed their working capital adjustments.
3. United agreed to allocate from the Sale's Proceeds \$1,345,818 (the "Hold Back") to satisfy all projected administrative expense claims allowed in the cases pursuant to a wind down budget (the "Budget") agreed to by the Debtors and United.
4. United presently has a claim in the approximate principal amount of \$6,354,484.07 (the "Remaining Secured Claim") and is the only remaining secured creditor in these cases.
5. As a result of the Hold Back, the Debtors' have been able to wind-down their business and as reflected in the Motion and pursuant to the Budget to, among other things, satisfy all administrative expense claims, including trade debt and employee obligations. In addition, as contemplated in the Budget, sufficient funds exist to pay outstanding professional fees and fees

for the Office of the United States Trustee which, upon information and belief, are the last remaining administrative expense claims in these cases (the "Remaining Admin Claims").

6. To the extent any funds remain after payment of the Remaining Admin Claims, such funds are payable to United on the Remaining Secured Claim.

7. United agrees with the Debtors that there is no reason to pursue a plan of reorganization or liquidation and dismissal of these cases is appropriate. Upon payment of the Remaining Admin Claims, the Debtors will have a limited amount of cash and such remaining cash is subject to United's security interest. As the Debtors point out in the Motion, there is no longer a business to reorganize and once United receives the balance remaining from the Hold Back, no assets to distribute. Moreover, conversion of these cases to cases under chapter 7 of the Bankruptcy Code provides no benefit to creditors, but rather creates additional administrative costs without any funds to satisfy such costs.

8. United agrees that dismissal of these cases is in the best interests of the Debtors' creditors and estates and that keeping these cases in bankruptcy will serve no purpose. As long as the Debtors' cases remain open, there will be a further decrease in what limited cash remains in the estates.

WHEREFORE, United Bank requests (i) that the Debtors' Motion to Dismiss Chapter 11 Cases be granted, (ii) that prior to the dismissal orders becoming effective, the Debtors be authorized and directed to pay to United Bank any funds remaining after payment of the Remaining Admin Claims, and (iii) such other and further relief as the Court deems just and proper.

UNITED BANK

By Spilman Thomas & Battle, PLLC

/s/ James S. Crockett, Jr.

James S. Crockett, Jr. (WVSB #9229)

Spilman Thomas & Battle, PLLC

P.O. Box 273

Charleston, West Virginia 25321-0273

Telephone: (304) 340-3824

Facsimile: (304) 340-3801

jcrockett@spilmanlaw.com

Peter M. Pearl, Esquire (VSB #22344)

Spilman Thomas & Battle, PLLC

P. O. Box 90

Roanoke, Virginia 24002

Telephone: (540) 512-1800

Facsimile: (540) 342-4480

ppearl@spilmanlaw.com

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA**

In re:)
Daily Gazette Company,)
Debtor.)
) Chapter 11
) Case No. 18-20028
) (Jointly Administered)
)
_____)

In re:)
Daily Gazette Holding Company, LLC,)
Debtor.)
) Chapter 11
) Case No. 18-20029
)
_____)

In re:)
Charleston Newspapers Holdings, L.P.,)
Debtor.)
) Chapter 11
) Case No. 18-20030
)
_____)

In re:)
Daily Gazette Publishing Company, LLC,)
Debtor.)
) Chapter 11
) Case No. 18-20032
)
_____)

In re:)
Charleston Newspapers,)
Debtor.)
) Chapter 11
) Case No. 18-20033
)
_____)

In re:)
G-M Properties, Inc.,)
Debtor.)
) Chapter 11
) Case No. 18-20034
)
_____)

CERTIFICATE OF SERVICE

I, James S. Crockett, Jr., do hereby certify that on July 10, 2019, the foregoing **Response of United Bank in Support of Debtors' Motion to Dismiss Chapter 11 Cases** was filed with the Court using the CM/ECF system which will send notification of such filing.

/s/ James S. Crockett, Jr.
James S. Crockett, Jr. (WVSB #9229)
Spilman Thomas & Battle, PLLC
P.O. Box 273
Charleston, West Virginia 25321-0273
Telephone: (304) 340-3824
Facsimile: (304) 340-3801
jcrockett@spilmanlaw.com

Peter M. Pearl, Esquire (VSB #22344)
Spilman Thomas & Battle, PLLC
P. O. Box 90
Roanoke, Virginia 24002
Telephone: (540) 512-1800
Facsimile: (540) 342-4480
ppearl@spilmanlaw.com